

**Meeting Agenda
State College Borough Redevelopment Authority
July 29, 2020
Virtual Meeting / Noon**

ATTENTION:

Due to the ongoing COVID-19 pandemic, this meeting will be conducted electronically. The public is invited to participate in the meeting, but they must register to attend. More information is available on the Borough's website at the following link:

<http://www.statecollegepa.us/3162/A-Virtual-Meeting>

Call Borough Administration at (814) 234-7110 with any questions.

I. Call to Order

II. Roll Call

Sally Lenker, Chair
Mark Huncik, Vice-Chair
Elizabeth Goreham
Rebecca Misangyi
James Shincovich

III. Approval of Minutes – June 24, 2020

IV. Chair Report

V. Public Hour - Hearing of Citizens

VI. Financial Matters

A. June 2020 Expense Voucher Approval

Redevelopment Authority Action (RDA): The RDA should review and approve the June 2020 expenditures.

VII. Economic Development

A. COVID Small Business Support Program Development

Considering the recently announced Centre County grant program for businesses (primarily restaurants), staff will revisit key components of draft guidelines for the RDA's Small Business Relief Program.

Redevelopment Authority Action (RDA): Provide staff with direction for finalizing Revolving Loan Fund program guidelines. Approve guidelines with proposed changes.

VIII. Official Reports and Correspondence

A. Borough Council

B. Planning Commission

C. Staff Reports

IX. Upcoming Meetings

August 26, 2020 at Noon

X. Adjournment

**Meeting Minutes
State College Borough Redevelopment Authority
June 24, 2020**

The State College Borough Redevelopment Authority (RDA) met on Wednesday, June 24, 2020 for a virtual meeting through Zoom. Sally Lenker, Chair, called the meeting to order at 12:06 p.m.

RDA Members Present

Sally Lenker, Chair; Mark Huncik, Vice-Chair; Elizabeth Goreham; James Shincovich, Secretary/Treasurer; and Rebecca Misangyi

Others Present

Ed LeClear, Planning Director; Isabel Storey, Senior Planner; and Denise L. Rhoads, Administrative Assistant

Approval of Minutes

A motion was made by Ms. Misangyi and seconded by Mr. Shincovich to approve the RDA meetings minutes of May 27, 2020. The vote was unanimously in favor.

A motion was made by Mr. Shincovich and seconded by Ms. Misangyi to approve the RDA minutes of June 10, 2020. The vote was unanimously in favor.

Chair Report

Ms. Lenker had nothing to report.

Public Hour

There was no public in attendance.

Financial Matters

May 2020 Expense Voucher Approval

After reviewing the May 2020 expense voucher for approval, Ms. Misangyi made a motion to approve and Ms. Goreham seconded. The vote was unanimously in favor.

Economic Development

COVID Small Business Support Program Development

Mr. LeClear reviewed the draft Revolving Loan Fund (RLF) which he presented at the June 10, 2020 RDA meeting. The main topics were: 1) objectives; 2) assumptions for Summer/Fall 2020; 3) assets and constraints; 4) what should be accomplished; 5) how best to help; stabilization; 6) how best to help: recovery; 7) stabilization loan terms; and 8) next steps.

RDA and staff discussion included:

- State College Borough was offering individual microloans of up to \$5,000 with 0 percent interest to businesses located within the municipal boundaries.
- The loans would be made with a three-year term with principal payments beginning September 2021.
- Loans would be limited to businesses within the Borough with 15 full-time equivalent employees or fewer.
- There would be a requirement of having a credit score of 650 or above.
- Documentation needed: 1) monthly revenue from June 2018 – June 2019; 2) monthly revenue from June 2019 – February 2020; and 3) average weekly revenue from March 1, 2020 – Present.
- Priority would be given to businesses that could demonstrate the highest revenue loss (60% of above).

RDA comments

- Mr. Shincovich stated he would like to see the revenue and income on a monthly basis and to know if their monthly expenses were impacted by COVID.
- Ms. Lenker stated the 60 percent or above loss criteria concerned her. Mr. LeClear stated staff could change that to “highest revenue loss”.
- Mr. Shincovich asked if it would be helpful to know what type of business they were. Mr. LeClear stated staff could add something to the application.
- Mr. Huncik suggested that franchises be Borough resident owned. Mr. LeClear stated not many of the business owners lived in the Borough. He noted it should state Centre Region business owners. Ms. Storey noted the funds should be clear that they would be for the business only. Mr. LeClear stated the Borough could require that applicants list all addresses of the businesses they own.
- Mr. Huncik stated a progress report should be required. Ms. Misangyi was concerned if time would be taken to actually read the progress reports.
- Mr. Huncik suggested a clause stating if the business closed, the funds would then become due.
- Ms. Misangyi noted nothing was mentioned regarding complying with “good faith” in spending and reporting.
- Ms. Goreham asked if a “date certain” could be added to the guidelines. Mr. LeClear stated he would work with Douglas Shontz on this.

Mr. LeClear stated staff would make the revisions from the Authority’s comments and would add the COVID 19 language for following the CDC requirements.

A motion was made to approve this proposal by Mr. Shincovich and seconded by Ms. Misangyi. The vote was unanimously in favor.

Mr. LeClear stated staff requested \$200,000 for PPE grants to distribute throughout the RDA.

Official Reports and Correspondence

Borough Council (BC): Mr. LeClear reported staff would be preparing the permitting and engineering components for widening sidewalks, removing parking and lane shifts on Beaver and College Avenues.

Upcoming Meetings

July 22, 2020 at Noon

Adjournment

There being no further business, Ms. Lenker, Chair, adjourned the meeting at 12:53 p.m.

Respectfully submitted,

Denise L. Rhoads
Administrative Assistant

SCB RDA Voucher Report

Check Date Range: 6/1/2020 to 6/30/2020

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VENDOR NAME	ACCOUNT DESCRIPTION	DESCRIPTION	ACCOUNT	CHECK NO	AMOUNT
FULTON BANK	DEBT SERVICE-ADMIN FEES	LOAN MODIFICATION ORIGNATION FEE - KEMMERER RD	B114-15-44-00-0000-000-95902 -	44902	350.00
Check Number 44902 Total:					350.00
NITTANY PRINTING & PUBLISHING CO	ADVERTISING	RDA SPECIAL MEETING - JUNE 10	B114-15-44-00-0000-000-72330	45016	106.13
Check Number 45016 Total:					106.13
					456.13
Fund B114 Total:					456.13
Grand Total					456.13

State College Small Business Relief Loan Program Guidelines

The Municipality of State College, Pennsylvania is offering individual microloans of up to \$5,000 at 0% interest to businesses located within the municipal boundaries. These loans are made with a three-year term; however, principal payments will not begin until September of 2021. These loans are meant to act as bridge loans so that our small businesses can continue to function during the COVID-19 Pandemic and can be used for working capital, including rent, payroll, utilities, inventory, and payable accounts. We as a community deeply value the services and experiences our small businesses provide to both locals and students and the Borough hopes to keep as many businesses afloat as possible.

Given the great need for support funding here in the Borough and the speed with which other municipalities exhausted available funds, we intend to keep application requirements to a minimum. Requirements are as follows:

- 1) Loans are limited to businesses within the Borough with 15 full-time equivalent employees or fewer.
- 2) Business must be a non-franchise business and may not have any additional locations outside Centre County. The goal of the program is to assist small, locally owned businesses not regional or national chains.
- 3) Business must agree, as a condition of the loan, to follow all required federal, state and local guidelines for COVID-19 safety and prevention.
- 4) Business must agree to report on the use of the loan funds with six months of the loan being issued. The Redevelopment Authority will provide an easy-to-use on-line resource for reporting.
- 5) Should the business receiving the loan close their current Borough location and relocate to a location outside the Borough of State College the remaining loan balance will be due in full at the time of closure.

BREAK OUT BOX

To calculate full-time employment, we will be using the same calculation used for Paycheck Protection Program loans by the Small Business Administration. Please count the number of employees at the time of loan application. The process of calculating full-time equivalency is as follows:

1. Determine how many part-time workers a business has as well as each individual employee's average number of weekly hours.
2. Add up all the average weekly hours for all employees.
3. Divide this sum by 30.
4. Round down to the nearest whole number.
5. Add this number to the total of full-time employees.

While this loan program seeks to help as many businesses as possible, we need to ensure that businesses who receive this aid are truly in need of support and were viable businesses prior to the COVID-19 pandemic. Therefore, like several other programs of this nature, the Borough requires all applicants to have a credit score of at least 650. Evidence of the extent of each applicant's revenue loss is also required.

The Borough recognizes that many businesses experience a seasonal pattern to their revenue and employment, so we require additional documentation from each applicant to obtain an accurate picture of what each business typically earns in order to compare it to the current business climate during the COVID-19 Pandemic. Therefore, the Borough requires each applicant to provide the following documentation:

1. Monthly Revenue & Income from June 2018-June 2019
2. Monthly Revenue & Income from June 2019-February 2020
3. Average Weekly Revenue from March 1, 2020-Present

Priority will be given to those businesses demonstrating the largest percentage revenue loss since the issuance of the Governor Wolf's emergency declaration on March 6th, 2020. However, the Borough will do its best to quickly provide support to as many small businesses possible.